

## CONSUMER PRODUCT SAFETY COMMISSION

[Docket No. CPSC-2019-0035]

Agency Information Collection Activities; Proposed Collection; Comment Request;

Consumer Product Risk Reduction Valuation Study: Cognitive Interviews & Focus Groups

**AGENCY:** Consumer Product Safety Commission.

**ACTION:** Notice.

**SUMMARY:** The Consumer Product Safety Commission (CPSC) is announcing an opportunity for public comment on a new proposed collection of information by the agency. Under the Paperwork Reduction Act of 1995 (PRA), federal agencies are required to publish notice in the *Federal Register* for each proposed collection of information and to allow 60 days for public comment in response to the notice. This notice solicits comments on a proposed collection to conduct cognitive interviews and focus groups that will assess consumer comprehension of risk associated with consumer products.

**DATES:** Submit written or electronic comments on the collection of information by [insert date 60 days after date of publication in the FEDERAL REGISTER].

**ADDRESSES:** You may submit comments, identified by Docket No. CPSC-2019-0035, by any of the following methods:

Electronic Submissions: Submit electronic comments to the Federal eRulemaking

Portal at: http://www.regulations.gov. Follow the instructions for submitting comments. CPSC

does not accept comments submitted by electronic mail (e-mail), except through

www.regulations.gov. CPSC encourages you to submit electronic comments by using the Federal eRulemaking Portal, as described above.

<u>Mail/hand delivery/courier Submissions</u>: Submit comments by mail/hand delivery/courier to: Division of the Secretariat, Consumer Product Safety Commission, Room 820, 4330 East West Highway, Bethesda, MD 20814; telephone (301) 504-7923.

Instructions: All submissions received must include the agency name and docket number for this notice. All comments received may be posted without change, including any personal identifiers, contact information, or other personal information provided, to: http://www.regulations.gov. Do not submit confidential business information, trade secret information, or other sensitive or protected information that you do not want to be available to the public. If furnished at all, such information should be submitted by mail or hand delivery/courier.

<u>Docket</u>: For access to the docket to read background documents or comments received, go to: http://www.regulations.gov, and insert the docket number, CPSC-2019-0035, into the "Search" box, and follow the prompts. A copy of the draft supporting statement titled "Risk Valuation Study Supporting Statement" is available at: <a href="https://www.regulations.gov">https://www.regulations.gov</a> under Docket No. CPSC-2019-0035, Supporting and Related Material.

**FOR FURTHER INFORMATION CONTACT:** Bretford Griffin, Consumer Product Safety Commission, 4330 East West Highway, Bethesda, MD 20814; (301) 504-7037, or by e-mail to: BGriffin@cpsc.gov.

agencies must obtain approval from the Office of Management and Budget (OMB) for each collection of information they conduct or sponsor. "Collection of information" is defined in 44 U.S.C. 3502(3) and 5 CFR 1320.3(c) and includes cognitive interviews and focus groups. Section 3506(c)(2)(A) of the PRA (44 U.S.C. 3506(c)(2)(A)) requires federal agencies to provide

a 60-day notice in the *FEDERAL REGISTER* concerning each proposed collection of information before submitting the collection to OMB for approval. Accordingly, CPSC is publishing notice of the proposed collection of information set forth in this document.

## A. Consumer Product Risk Reduction Valuation Study

CPSC is authorized under section 5(a) of the Consumer Product Safety Act (CPSA), 15 U.S.C. 2054(a), to conduct studies and investigations relating to the causes and prevention of deaths, accidents, injuries, illnesses, other health impairments, and economic losses associated with consumer products. Section 5(b) of the CPSA, 15 U.S.C. 2054(b), further provides that CPSC may conduct research, studies, and investigations on the safety of consumer products or test consumer products and develop product safety test methods and testing devices.

CPSC issues regulations to reduce the risk of fatal injuries or illnesses associated with the use of consumer products. To value reductions in the risk of fatalities, CPSC and other federal agencies rely on estimates of the value per statistical life (VSL), which are derived from research on individuals' willingness to pay (WTP), consistent with the conceptual framework for benefit-cost analysis. Most of the studies on which these estimates are based calculate WTP by evaluating tradeoffs made by workers in risky occupations, and thus, concentrate on certain populations (working-age males). However, the type of risks and populations that are often addressed by CPSC regulations involve children. Although there are few completed studies that address the value of risk reductions that accrue to children, the available literature is limited and largely unrelated to the types of risks addressed by CPSC rulemakings. Due to the absence of

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<sup>&</sup>lt;sup>1</sup> See, e.g., Alberini, A. and M. Ščasný. 2011. Context and the VSL: Evidence from a Stated Preference Study in Italy and Czech Republic. Environmental and Resource Economics, 49(4): 511-538; Gerking, S., M. Dickie, and M. Veronesi. 2014. Valuation of Human Health: An Integrated Model of WTP for Mortality and Morbidity Risk Reductions. Journal of Environmental Economics and Management, 68(1): 20-45; Hammitt, J.K. and K. Haninger. 2010. Valuing Fatal Risk to Children and Adults: Effects of Disease, Latency and Risk Aversion. Journal of Risk and Uncertainty, 40: 57-83; Hammitt, J.K. and D. Herrera. 2017. Peeling Back the Onion: Using Latent Class Analysis to Uncover Heterogeneous Responses to Stated Preference Surveys. Journal of Environmental Economics and Management, in press.

children from labor markets and the lack of observable market data, the majority of the studies employ stated preference methods. That method asks individuals, usually through questionnaires, the economic value that they attach to a perceived risk based on constructed or hypothetical markets. Although the existing studies suggest higher values for reducing risks to children than reductions to adults, they do not adequately determine the extent to which values for fatal risk reductions differ for adults versus children for risks associated with consumer products or adequately explain the level of respondent comprehension of relevant risk concepts.

CPSC seeks to conduct additional research to evaluate whether reductions in consumer product-related risks are valued differently when the beneficiary of the reduction is a child versus an adult. In order to assess comprehension of risk concepts, CPSC intends to conduct qualitative pretesting, in the form of cognitive interviews and focus groups based on best practices used in stated-preference study design. CPSC will conduct an initial set of eight cognitive interviews aimed specifically at topics related to risk communication and risk comprehension from homeowners with at least one child under the age of 12. Based on the results of the initial cognitive interviews, CPSC will inform OMB of any changes that are made for conducting a subsequent set of focus groups. Those focus groups will consist of 40 respondents and 16 additional cognitive interviews that will query the respondents on fatal household risks related to consumer products. The interviews and focus groups are designed to assess respondents' comprehension of risk concepts and to inform the CPSC on the feasibility of developing a future survey instrument that will identify the best methods or approaches to communicate risk concepts related to consumer products.

## **B. Burden Hours**

The estimated annual burden hours are as follows:

Activity	Number of Responses	Estimated Burden per respondent (hours)	Total Burden (hours)
Cognitive Interviews I (Risk Communication and Comprehension)	8	1.5	12
Focus Group Sessions (Household Risks and Consumer Products)	40	2	80
Cognitive Interviews II (Household Risks and Consumer Products)	16	1.5	24
		Total	116

We estimate the total annual dollar value of this collection to be \$4,265. This estimate is based on an average of \$36.77/hr. compensation, including benefits, from the National Compensation Survey published by the Bureau of Labor Statistics (U.S. Bureau of Labor Statistics, "Employer Costs for Employee Compensation by ownership," Dec. 2018, Table 1, total compensation for civilian workers: http://www.bls.gov/ncs/). The total cost to the federal government for the contract to design and conduct the proposed survey is \$117,458.

## C. Request for Comments

CPSC invites comments on these topics:

- Whether the proposed collection of information is necessary for the proper performance of CPSC's functions, including whether the information will have practical utility;
- The accuracy of CPSC's estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used;
- Ways to enhance the quality, utility, and clarity of the information to be collected; and

 Ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques, when appropriate, and other forms of information technology.

Alberta E. Mills, Secretary,

Consumer Product Safety Commission.

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